

**261—71.1 (403) Definitions.**

*“Act”* means Iowa Code section 403.19A.

*“Board”* means the Iowa economic development board created in Iowa Code section 15.103.

*“Business”* means any professional services or industrial enterprise, including medical treatment facilities, manufacturing facilities, corporate headquarters, and research facilities. “Business” does not include a retail operation or a business which closes or substantially reduces its operation in one area of this state and relocates substantially the same operation to another area of this state.

*“Countywide average wage”* means the average that the department calculates using the most current four quarters of wage and employment information as provided in the quarterly covered wage and employment data report as provided by the department of workforce development. Agricultural/mining and governmental employment categories are deleted in compiling the wage information.

*“Department”* means the Iowa department of economic development.

*“Employee”* means the individual employed in a targeted job that is subject to a withholding agreement.

*“Employer”* means a business creating or retaining targeted jobs in an urban renewal area of a pilot project city pursuant to a withholding agreement.

*“Employer’s taxable capital investment”* means a capital investment in real property, including but not limited to the purchase of land and existing buildings and building construction included in the project, that is subject to taxation by the local taxing authority.

*“Local financial support”* or *“local match”* means cash or in-kind contributions to be used for the project from a private donor, a business, or the pilot project city. “Cash” includes but is not limited to loans, forgivable loans or grants. “In-kind contributions” means contributions directly related to the project and includes but is not limited to the construction of private or public infrastructure or other amenities and improvements.

*“Pilot project city”* means a city that has applied and been approved as a pilot project city pursuant to rule 71.2(403).

*“Qualifying investment”* means a capital investment in real property including the purchase price of land and existing buildings, site preparation, building construction, and long-term lease costs. “Qualifying investment” also means a capital investment in depreciable assets.

*“Targeted job”* means a job in a business which is or will be located in an urban renewal area of a pilot project city that pays a wage at least equal to the countywide average wage. “Targeted job” includes new or retained jobs from Iowa business expansions or retentions within the city limits of the pilot project city and those jobs resulting from established out-of-state businesses, as defined by the department, that are moving to or expanding in Iowa.

*“Urban renewal area”* means the same as defined in Iowa Code section 403.17.

*“Withholding agreement”* means an agreement authorized in rule 71.4(403) between a pilot project city and an employer concerning the targeted jobs withholding tax credit.

[**ARC 7561B**, IAB 2/11/09, effective 3/18/09 (See Delay note at end of chapter); **ARC 7848B**, IAB 6/17/09, effective 7/1/09;  
**ARC 8147B**, IAB 9/23/09, effective 10/28/09]